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**IN THE UNITED STATES DISTRICT COURT
 FOR THE SOUTHERN DISTRICT OF NEW YORK**

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BANCO POPULAR DOMINICANO, C. POR A.,	:	
Plaintiff and	:	NO. 07 Civ. 6443 (LTS) (THK)
Counter-Claim Defendant,	:	
vs.	:	<u>ANSWER TO CROSS-CLAIM</u>
LEVI STRAUSS & CO.,	:	
Defendant and	:	
Third Party Plaintiff,	:	
vs.	:	
Interamericana Apparel Company, Inc.;	:	
Interamericana Products International, S.A.;	:	
QST Dominicana LLC; US Paper & Chemical;	:	
Apparel Machinery & Supply Co.; YKK Snap	:	
Fasteners America, Inc.; Southern Textile	:	
Dominicana, Inc.; Industria Cartonera	:	
Dominicana, S.A. (Smurfit); The Graphic Label	:	
Group Dominicana, Inc.; and Tag-It Pacific,	:	
Inc.,	:	
Third Party Defendants.	:	
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Plaintiff/Counterclaim Defendant Banco Popular Dominicano, C. Por A. (“Banco Popular”), individually and as bank agent, collateral agent and/or administrative agent for certain financial institutions (collectively with Banco Popular, the “Secured Parties”), under a certain Security Agreement between Banco Popular and Interbojos, Ltd.; Interamericana Apparel Company, Inc.; Interamericana Products International (Panama), S.A.; J.B.S., S.A.; Juan Bojos,

C. por A.; Bojos Leather, Ltd.; and Bojos Manufacturing Ltd., (collectively, the “Borrowers”), by its attorneys, Herrick, Feinstein LLP, as and for its Answer to the Cross-Claim of Defendant Third-Party Defendant Precision Custom Coatings, LLC, appearing for and on behalf of, as and as the assignee of Southern Textile Dominican, Inc. (“Precision”), responds as follows:

As to the Parties

25. Banco Popular denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph “25” of the Cross-Claim, and leaves Precision to its proofs.

26. Banco Popular denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph “26” of the Cross-Claim, and leaves Precision to its proofs.

27. Banco Popular denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph “27” of the Cross-Claim, and leaves Precision to its proofs.

28. Banco Popular denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph “28” of the Cross-Claim, and leaves Precision to its proofs.

29. Banco Popular denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph “29” of the Cross-Claim, and leaves Precision to its proofs.

30. Banco Popular denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph “30” of the Cross-Claim, and leaves Precision to its proofs.

31. The allegations in paragraph "31" of the Cross-Claim contain legal conclusions for which no response is required. To the extent a response is required, Banco Popular denies knowledge or information sufficient to form a belief as to the allegations contained in paragraph "31" of the Cross-Claim, and leaves Precision to its proofs.

32. The allegations in the first paragraph "32" of the Cross-Claim contain legal conclusions for which no response is required. To the extent a response is required, Banco Popular denies the allegations contained in the first paragraph "32" of the Cross-Claim.

32. Banco Popular denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in the second paragraph "32" of the Cross-Claim, and leaves Precision to its proofs.

32. The allegations in the third paragraph "32" of the Cross-Claim contain legal conclusions for which no response is required. To the extent a response is required, Banco Popular denies that any monies are due and owing under the embargo that Southern obtained.

33. Banco Popular denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph "33" of the Cross-Claim, and leaves Precision to its proofs.

34. The allegations in paragraph "34" of the Cross-Claim contain legal conclusions for which no response is required. To the extent a response is required, Banco Popular denies the allegations contained in paragraph "34" of the Cross-Claim..

35. Banco Popular denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph "35" of the Cross-Claim, and leaves Precision to its proofs.

SEPARATE DEFENSES

Banco Popular, as and for its defenses to the allegations of the Cross-Claim, states as follows:

FIRST SEPARATE DEFENSE

The Cross-Claim fails to state a claim upon which relief can be granted.

SECOND SEPARATE DEFENSE

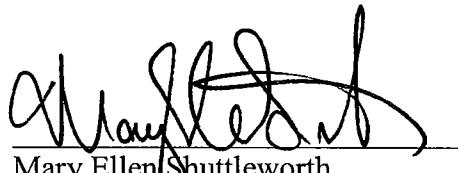
Banco Popular's duly perfected security interest in the Borrowers' accounts receivables is superior to the rights of any other person or entity.

WHEREFORE, Banco Popular respectfully requests that this Court enter judgment (i) dismissing the Cross-Claim with prejudice; (ii) granting the relief requested in the Complaint; (iii) holding any money deposited into the Court's registry as security for any judgment awarded to Banco Popular; and (iv) for such other relief as the Court may deem just and proper.

Dated: New York, New York
January 14, 2008

Respectfully submitted,

HERRICK, FEINSTEIN LLP



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